



COSTAMARE INC.

Second Quarter 2022

Financial Results Conference Call  
July 28, 2022

# Forward-Looking Statements

This presentation contains certain “forward-looking statements” (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended). All statements, other than statements of historical facts, that address activities, events or developments that Costamare Inc; (the “Company”) expects, projects, believes or anticipates will or may occur in the future, including, without limitation, future operating or financial results and future revenues and expenses, future, pending or recent acquisitions, general market conditions and shipping industry trends, the financial condition and liquidity of the Company, cash available for dividend payments, future capital expenditures and dry-docking costs and newbuild vessels and expected delivery dates, are forward-looking statements. Although the Company believes that its expectations stated in this presentation are based on reasonable assumptions, actual results may differ from those projected in the forward-looking statements. Important factors that, in our view, could cause actual results to differ materially from the future results discussed in the forward-looking statements include, without limitation, global supply and demand for containerhips and dry bulk vessels, the financial stability of the Company’s counterparties and charterers, global economic weakness, disruptions in the world financial markets, the loss of one or more customers, a decrease in the level of Chinese exports, the availability of debt financing, our ability to expand through newbuildings and secondhand acquisitions, risks associated with the operation of the Framework Agreement with our joint venture partner, delay in the delivery of newbuildings, rising crew and fuel costs, increases in capital expenditure requirements or operating costs, a decrease in containerhip or dry bulk vessel values, increased competition in the industry, re-chartering risk, fluctuations in interest rates, actions taken by governmental and regulatory authorities, potential liability for future litigation and environmental liabilities, the availability of adequate insurance coverage, potential disruption of shipping routes due to accidents or political conditions and the other factors discussed in the Company’s most recent Annual Report on Form 20-F (File No. 001-34934). All forward-looking statements reflect management’s current views with respect to certain future events, and the Company expressly disclaims any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in the Company’s views or expectations, or otherwise.

# Highlights (1/4)

## Q2 2022 – Another Record Quarter

- ▶ Q2 2022 Net Income available to common stockholders of **\$114.1 million** vs \$82.8 million in Q2 2021.
- ▶ Q2 2022 Earnings per Share of **\$0.92** vs \$0.67 in Q2 2021, **up 37%**.
- ▶ Q2 2022 Adjusted Net Income available to common stockholders <sup>(1)</sup> of **\$118.6 million** vs \$58.3 million in Q2 2021.
- ▶ Q2 2022 Adjusted Earnings per Share <sup>(1)</sup> of **\$0.95** vs \$0.47 in Q2 2021, **up 102%**.
- ▶ Liquidity of **\$854 million**<sup>(2)</sup> vs \$565 million in Q2 2021.

### Notes

1. Adjusted Net Income and Adjusted Earnings per Share are non-GAAP measures. See Appendix I for definitions and reconciliations to the nearest GAAP measures.
2. Liquidity includes \$688.0 million of cash and cash equivalents (incl. restricted cash), our share of cash held in companies co-owned with York Capital (\$3.6 million), short term investments in U.S. Treasury Bills amounting to \$10.0 million, and \$152.5 million in available undrawn funds from two hunting license facilities as of June 30, 2022.

# Highlights (2/4)

## New \$500 million syndicated loan facility

- ▶ Refinancing of existing indebtedness of 17 vessels, secured by contracted cash flows with a tenor of 5 years.
  - ▶ Raised additional liquidity of approximately \$200 million.
  - ▶ Participation of 12 U.S., European and Asian financing institutions, most of which represent new financing relationships.
  - ▶ Significant reduction of funding cost, and extension of repayment schedule for 16 out of the 17 refinanced vessels.
- ▶ Corporate Leverage: Market Values basis: ca. **24%** as calculated for our compliance certificates<sup>(1)</sup>.

## Share Repurchase Program

- ▶ Approximately \$60 million of common share repurchases, representing 3.8% of total common shares at an average price of \$12.67 per share<sup>(2)</sup>.
- ▶ Available funds remaining under the share repurchase programs:
  - ▶ Approximately \$90 million for common shares.
  - ▶ \$150 million for preferred shares.

### Notes

1.  $(\text{Total Liabilities minus Cash and Cash Equivalents}) / (\text{Total Market Value Adjusted Assets minus Cash and Cash Equivalents})$  as of June 30, 2022.
2. As of the date of this presentation.





# Highlights (3/4)

## Strong chartering performance and new charter arrangements

- ▶ Our containership revenue days are ca. 100%<sup>(1)</sup> contracted for the remainder of 2022 and ca. 95%<sup>(1)</sup> contracted for 2023.
- ▶ We have concluded forward fixtures for two of our containerships at a daily rate of \$58,500, significantly above previous rates.

Vessel	Built	Size (TEUs)	Charterer	Timecharter Rate (p.d.)	Timecharter Period	Latest start date	Current Timecharter rate (p.d.)
Aries	2004	6,492	(*)	\$58,500	36 – 40 months	Q1 2023	(*)
Argus	2004	6,492	(*)	\$58,500	36 – 40 months	Q2 2023	(*)

- ▶ Continue to trade our dry bulk vessels on short term charters with 27 new fixtures since the Q1 2022 earnings release.

## Sale and purchase activity

- ▶ Conclusion of the sale of the 2009-built, 57,334 DWT dry bulk vessel *Thunder*, resulting in a capital gain of \$3.5 million.

### Notes

1. Containership contracted revenue days are excluding vessels we have agreed to sell and are calculated on a TEU basis.

(\*) Denotes charterer's identity and/or current daily charter rates and/or charter expiration dates, which are treated as confidential.

# Highlights (4/4)

## Containership Market

- ▶ Box rates are showing some signs of weakness, but charter rates remain at very strong levels as we enter peak season.
- ▶ Commercially fully employed container fleet with idle capacity at 0.9%<sup>(1)</sup>, with no vessels available at short notice.

## Dry Bulk Market

- ▶ Charter rates have come under pressure.
- ▶ Newbuilding orderbook is at 7.2%<sup>(2)</sup> of the total fleet, and new ordering continues to remain subdued.

## Dividends and Strong Sponsor Support

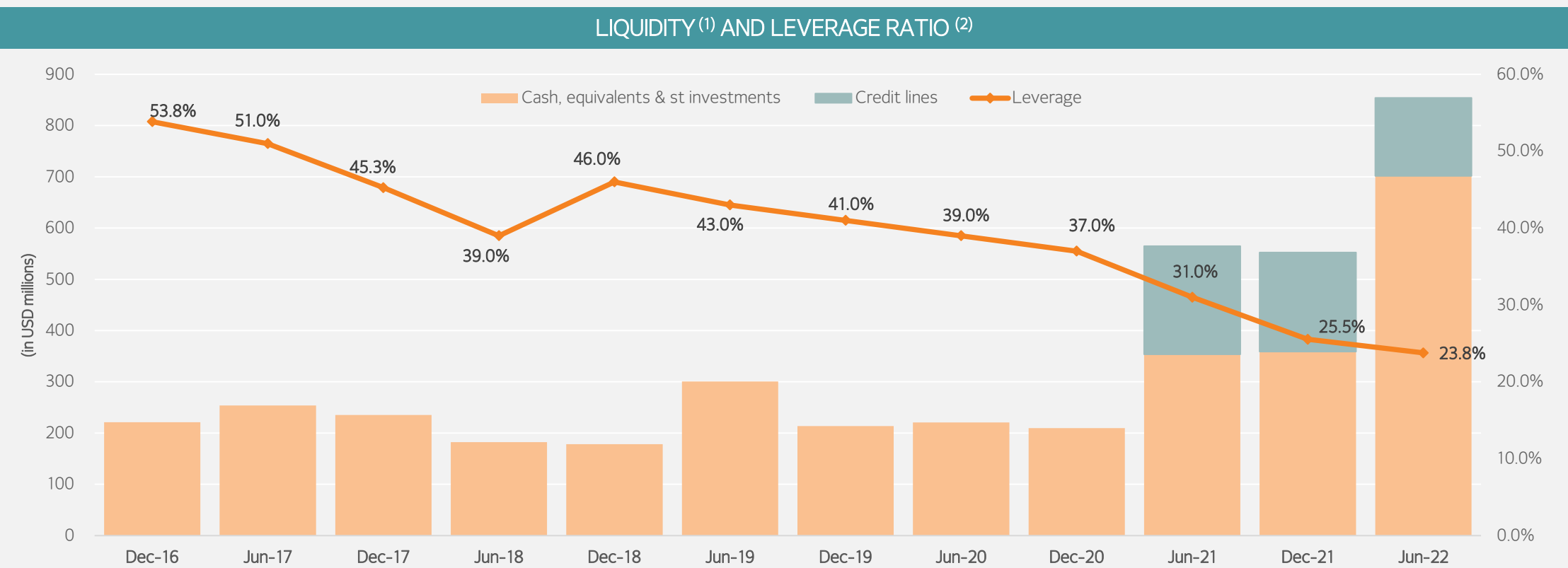
- ▶ Regular Q2 2022 dividend of \$0.115 per share payable on August 8, 2022 to shareholders of record on July 21, 2022.
- ▶ 47 consecutive quarterly common dividends since IPO.
- ▶ \$130 million reinvested by the sponsor family through the Dividend Reinvestment Plan to date.

### Notes

1. Alphaliner – July 2022
2. Clarkson's – July 2022

# Conservative Capital Structure

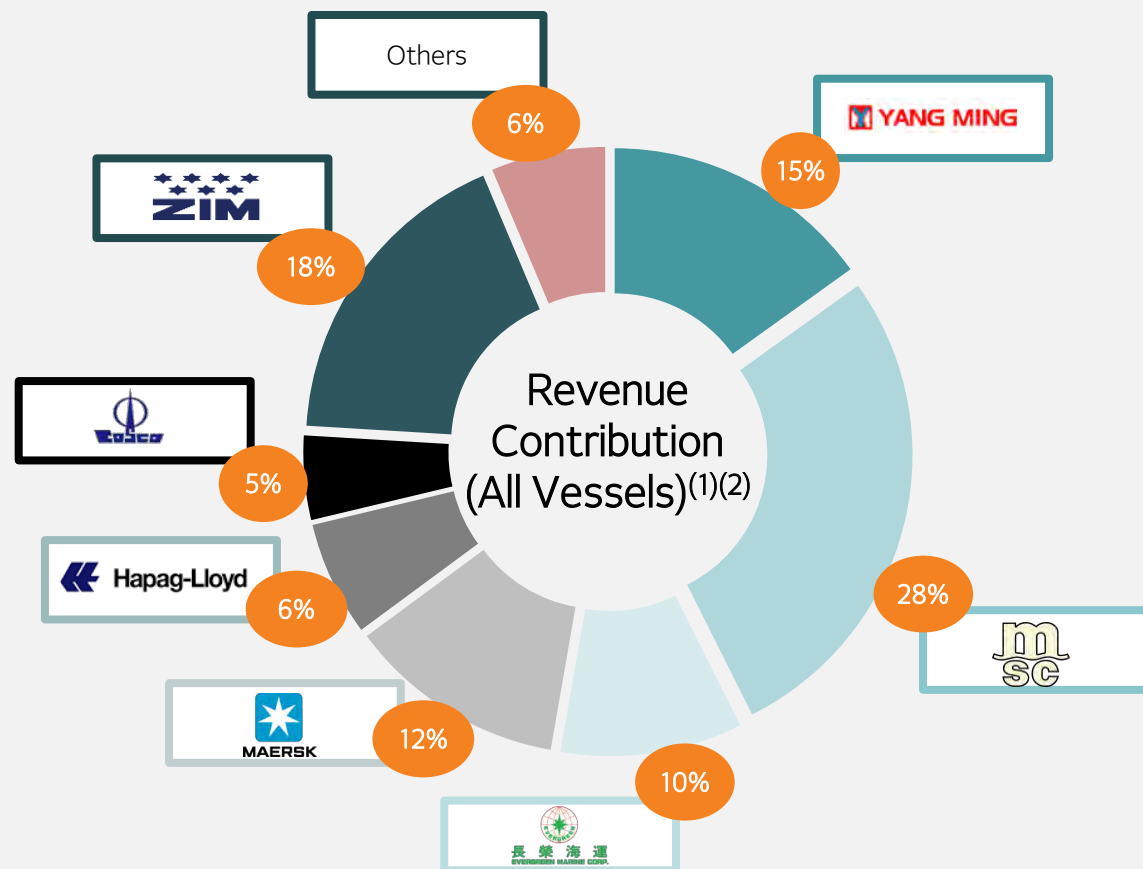
► We maintain low leverage and ample liquidity of **\$854 million<sup>(1)</sup>** for future growth.



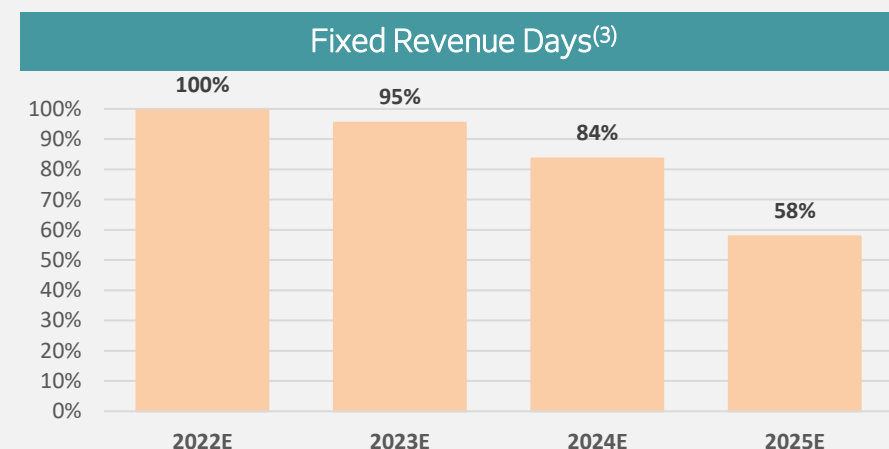
Notes

1. Liquidity as of June 30, 2022 includes \$688.0 million of cash and cash equivalents (incl. restricted cash), our share of cash held in companies co-owned with York Capital (\$3.6 million), short term investments in U.S. Treasury Bills amounting to \$10.0 million, and \$152.5 million in available undrawn funds from two hunting license facilities as of June 30, 2022.
2.  $(\text{Total Liabilities minus Cash and Cash Equivalents}) / (\text{Total Market Value Adjusted Assets minus Cash and Cash Equivalents})$ . Calculated in accordance with the relevant provisions of our bank financing agreements as of June 30, 2022.

# Containerships: High Quality and Stable Cash Flows



- ▶ Contracted revenues for the containership fleet of approximately \$3.3Bn<sup>(1)(2)</sup>
- ▶ TEU-weighted average remaining time charter duration for the containership fleet is about 4.0 years<sup>(1)(2)</sup>



## Notes

1. As of July 28, 2022. Revenues include our ownership percentage of contracted revenues for four vessels owned pursuant to the Framework Agreement with York. Revenues also include the five vessels we have agreed to sell.
2. Assumes earliest re-delivery dates after giving effect to the exercise of any owners' extension options.
3. Containership contracted revenue days are excluding the five vessels we have agreed to sell and are calculated on a TEU basis.



# Q2 2022 Income Statement Snapshot

## Q2 2022 RESULTS

	Q2 2021	Q2 2022	% Change
Ownership Days (incl. dry bulk vessels)	6,509	10,715	64.6%
Average Number of Vessels	71.5	117.7	64.6%
Voyage Revenues	166,770	290,927	74.4%
Net Interest and Finance Costs (*)	19,319	29,957	55.1%
Adjusted Net Income Available to Common Stockholders(**)	58,275	118,563	103.5%
Weighted Average Number of Shares	122,844,260	124,306,059	

## Q2 2022 RESULTS – Non-Cash and Other Adjustments

	Q2 2021	Q2 2022
Net Income Available to Common Stockholders	82,762	114,133
Accrued charter revenue	1,114	1,712
Amortization of time charter assumed	(345)	49
(Gain) on sale of vessels, net	(1,666)	(3,452)
(Gain)/Loss on derivative instruments	(105)	983
One-off write-off of loan deferred financing fees	-	1,705
Change in fair value of equity securities	(25,157)	-
Non-cash G&A expenses	1,768	1,808
Realized (gain)/loss on Euro/USD FX contracts	(96)	619
Non-recurring payments for loan cancelation fees	-	1,006
Adjusted Net Income Available to Common Stockholders(**)	58,275	118,563
<b>Adjusted EPS(**)</b>	<b>\$0.47</b>	<b>\$0.95</b>

### Notes

(\*) Interest and finance costs minus Interest Income

(\*\*) Non-GAAP items, see Appendix I for definitions and reconciliations to the nearest GAAP measure.

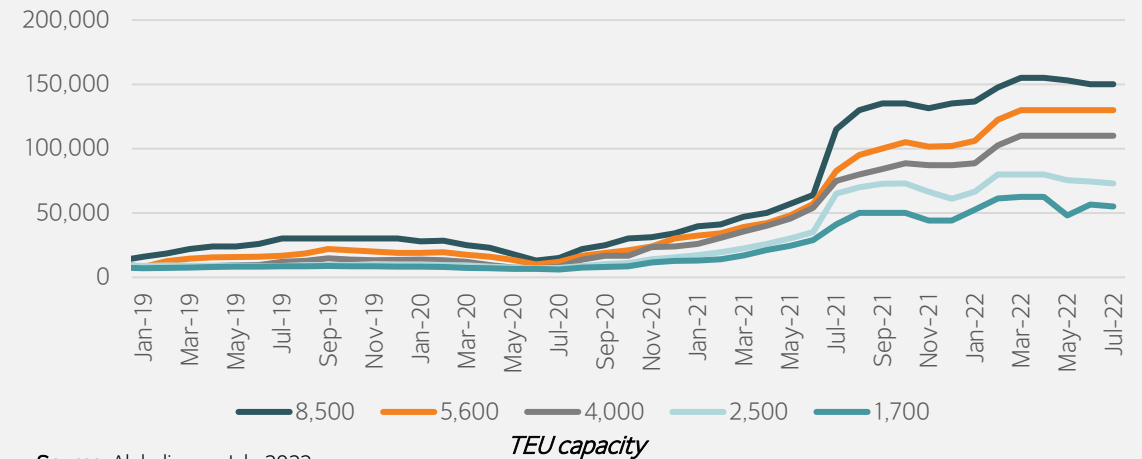
All numbers in thousands of U.S. dollars, except ownership days, number of vessels, share and per share data.

# Container Market Environment

- ▶ Charter rates remain at lofty levels.
- ▶ Rates for vessels above 2,500 TEU remained at historical highs year-to-date as very few vessels are available.
- ▶ Idle fleet remains at low levels and is currently at 0.9%.

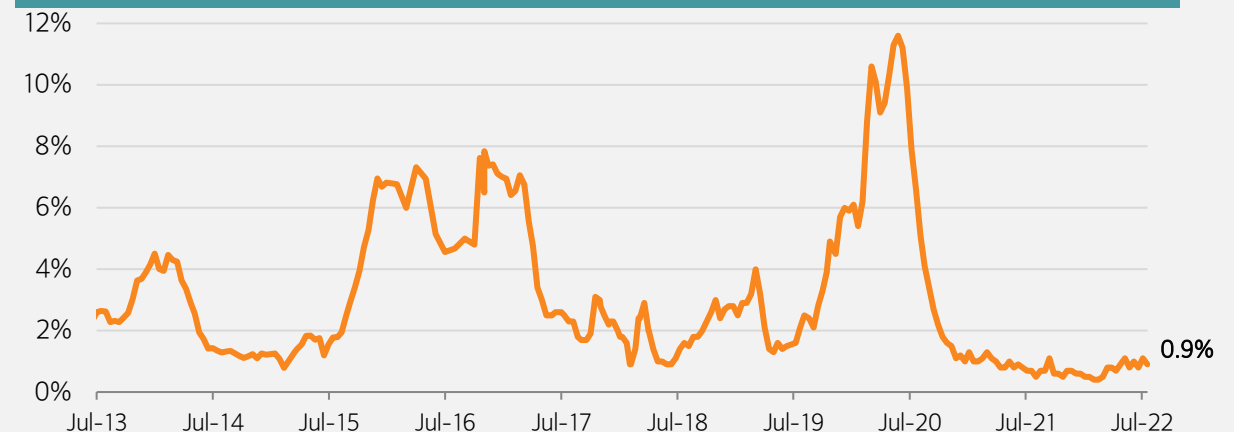
## Charter Rates

12m Timecharter Rates



Source: Alphaliner - July 2022

## Idle Fleet / Total Fleet

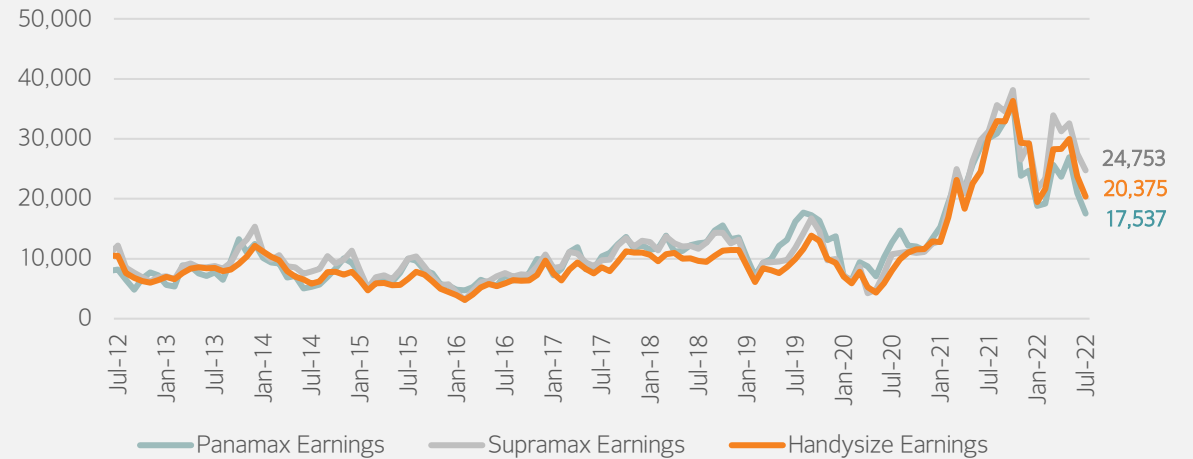


Source: Alphaliner - July 2022

# Dry Bulk Market Environment

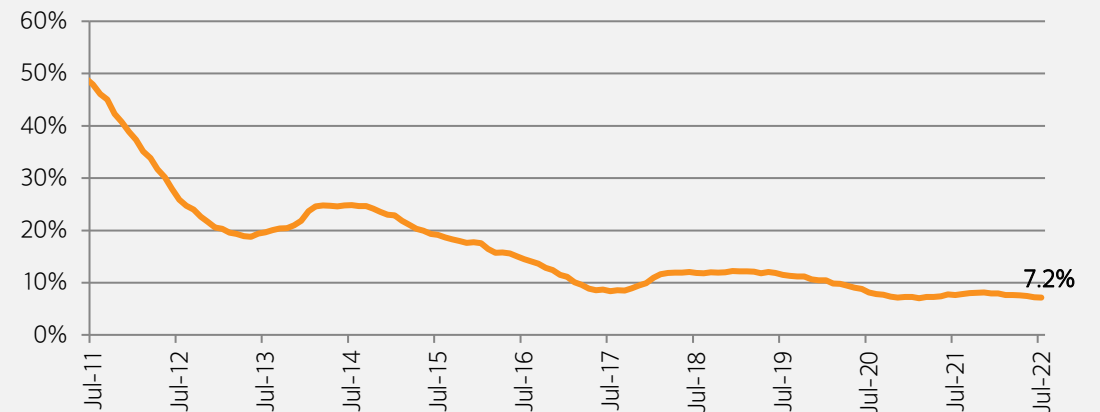
- ▶ Rates for dry bulk vessels have come under pressure.
- ▶ Despite recent weakness, rates remain well above cash break even levels.
- ▶ New vessel ordering continues to be restrained.
- ▶ The orderbook for newbuilding dry bulk vessels currently stands at 7.2%.

Average Spot Earnings (USD/p.d.)



Source: Clarksons – July 2022

Orderbook for Dry Bulk vessels



Source: Clarksons – July 2022

Thank You!  
Q&A



# Appendix I – Net Income to Adj. Net Income Reconciliation

<i>Expressed in thousands of U.S. dollars, except share and per share data</i>	<b>Three-month period ended June 30,</b>	
	<b>2021</b>	<b>2022</b>
<b>Net Income</b>	<b>\$90,616</b>	<b>\$121,987</b>
Earnings allocated to Preferred Stock	(7,854)	(7,854)
<b>Net Income Available to common stockholders</b>	<b>\$82,762</b>	<b>\$114,133</b>
Accrued charter revenue	1,114	1,712
Amortization of TC assumed	(345)	49
(Gain) on sale of vessels, net	(1,666)	(3,452)
Change in fair value of equity securities	(25,157)	-
(Gain)/loss on derivative instruments <sup>(1)</sup>	(105)	983
Non-cash G&A expenses	1,768	1,808
Realized (gain)/loss on Euro/USD FX contracts <sup>(1)</sup>	(96)	619
One-off write-off of loan deferred financing fees	-	1,705
Non-recurring payments for loan cancelation fees	-	1,006
<b>Adjusted Net Income available to common stockholders</b>	<b>\$58,275</b>	<b>\$118,563</b>
Weighted average number of shares	122,844,260	124,306,059
<b>Adjusted Earnings per Share</b>	<b>\$0.47</b>	<b>\$0.95</b>

Adjusted Net Income available to common stockholders and Adjusted Earnings per Share represent Net Income after earnings allocated to preferred stock and gain on retirement of preferred stock, but before non-cash “Accrued charter revenue” recorded under charters with escalating or descending charter rates, realized (gain)/loss on Euro/USD forward contracts, gain on sale of vessels, net, change in fair value of equity securities, non-recurring, non-cash write-off of loan deferred financing costs, non-recurring payments for loan cancelation fees, general and administrative expenses - non-cash component, and non-cash changes in fair value of derivatives. “Accrued charter revenue” is attributed to the timing difference between the revenue recognition and the cash collection. However, Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are not recognized measurements under U.S. GAAP. We believe that the presentation of Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are useful to investors because they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. We also believe that Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are useful in evaluating our ability to service additional debt and make capital expenditures. In addition, we believe that Adjusted Net Income available to common stockholders and Adjusted Earnings per Share are useful in evaluating our operating performance and liquidity position compared to that of other companies in our industry because the calculation of Adjusted Net Income available to common stockholders and Adjusted Earnings per Share generally eliminates the effects of the accounting effects of capital expenditures and acquisitions, certain hedging instruments and other accounting treatments, items which may vary for different companies for reasons unrelated to overall operating performance and liquidity. In evaluating Adjusted Net Income available to common stockholders and Adjusted Earnings per Share, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted Net Income available to common stockholders and Adjusted Earnings per Share should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

(1) Items to consider for comparability include gains and charges. Gains positively impacting Net Income available to common stockholders are reflected as deductions to Adjusted Net Income available to common stockholders. Charges negatively impacting Net Income available to common stockholders are reflected as increases to Adjusted Net Income available to common stockholders.



# Appendix II – Dry Bulk fleet

#	Vessel	Built	Size (DWT)
<b>Panamax/Kamsarmax</b>			
1	AEOLIAN	2012	83,478
2	GRENETA	2010	82,166
3	HYDRUS	2011	81,601
4	PHOENIX	2012	81,569
5	BUILDER	2012	81,541
6	FARMER	2012	81,541
7	SAUVAN	2010	79,700
8	ROSE	2008	76,619
<b>Handysize</b>			
1	COMITY	2010	37,302
2	VERITY	2012	37,163
3	PARITY	2012	37,152
4	ACUITY	2011	37,149
5	EQUITY	2013	37,071
6	DISCOVERY	2012	37,019
7	TAIBO	2011	35,112
8	BERNIS	2011	34,627
9	MANZANILLO	2010	34,426
10	ADVENTURE	2011	33,755
11	ALLIANCE	2012	33,751
12	CETUS	2010	32,527
13	PROGRESS	2011	32,400
14	MINER	2010	32,300
15	KONSTANTINOS	2012	32,178
16	RESOURCE	2010	31,776

#	Vessel	Built	Size (DWT)
<b>Supramax/Ultramax</b>			
1	MERCHIA	2015	63,800
2	SEABIRD	2016	63,553
3	DAWN	2018	63,530
4	ORION	2015	63,473
5	DAMON	2012	63,227
6	TITAN I	2009	58,090
7	ERACLE	2012	58,018
8	PYTHIAS	2010	58,018
9	NORMA	2010	58,018
10	ORACLE	2009	57,970
11	CURACAO	2011	57,937
12	URUGUAY	2011	57,937
13	ATHENA	2012	57,809
14	SERENA	2010	57,266
15	LIBRA	2010	56,729
16	PEGASUS	2011	56,726
17	MERIDA	2012	56,670
18	CLARA	2008	56,557
19	PEACE	2006	55,709
20	PRIDE	2006	55,705
21	BERMONDI	2009	55,469

As of July 28, 2022.



# Appendix III – Containership Operating Fleet Charter Status (1/5)



12,000 – 15,000 TEUs

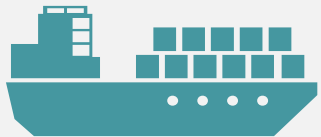
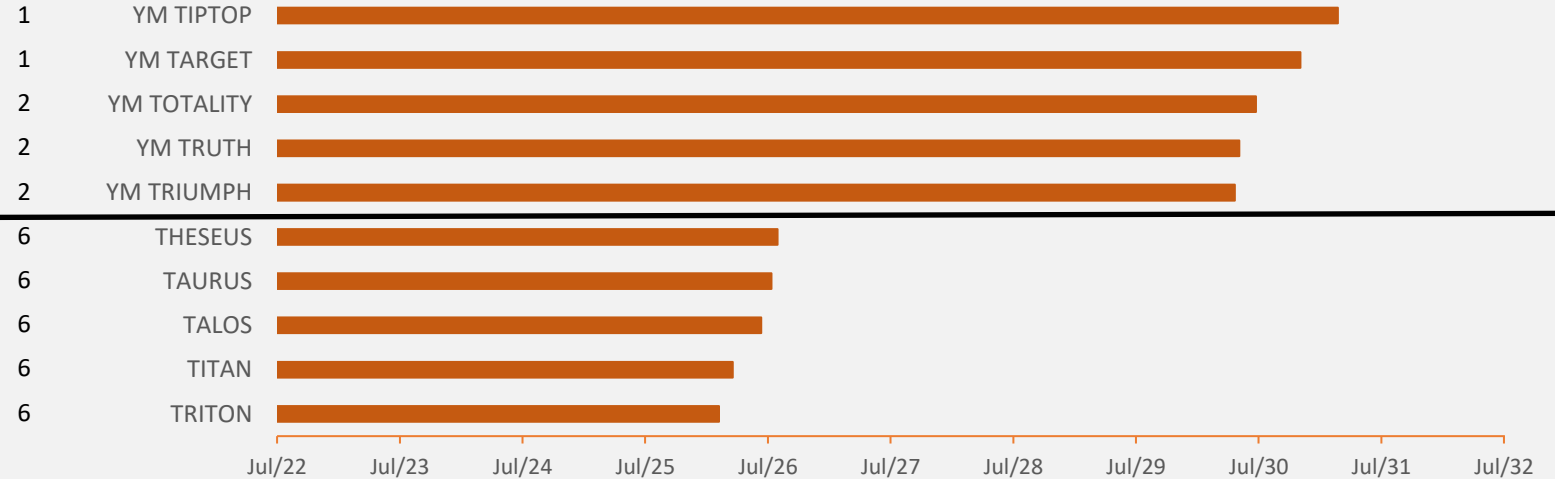
10x Vessels

Charterer



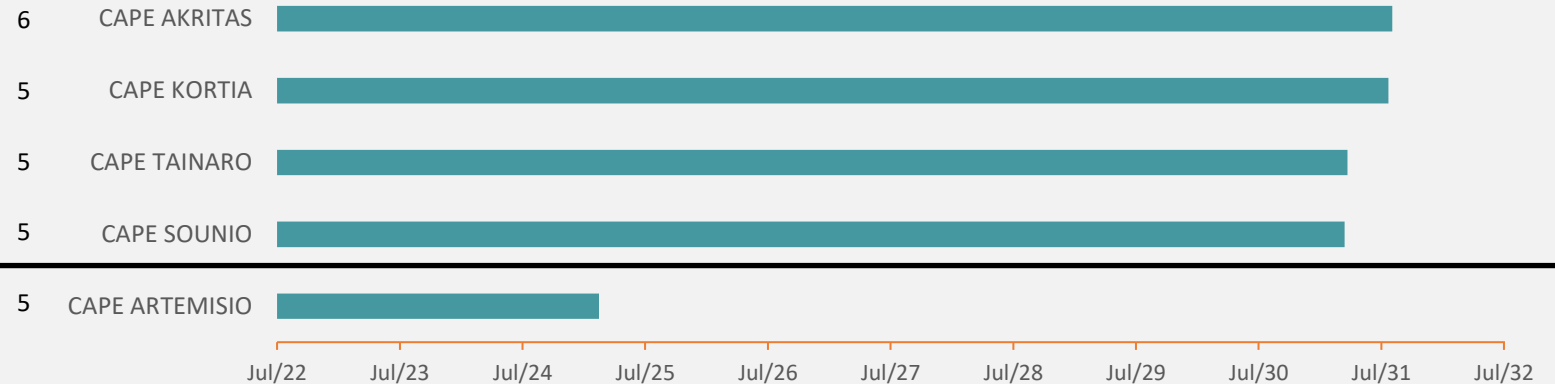
Age

Vessels<sup>(1)</sup>



10,000 – 12,000 TEUs

5x Vessels



## Note

1. Based on last charter fixtures per vessel and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.



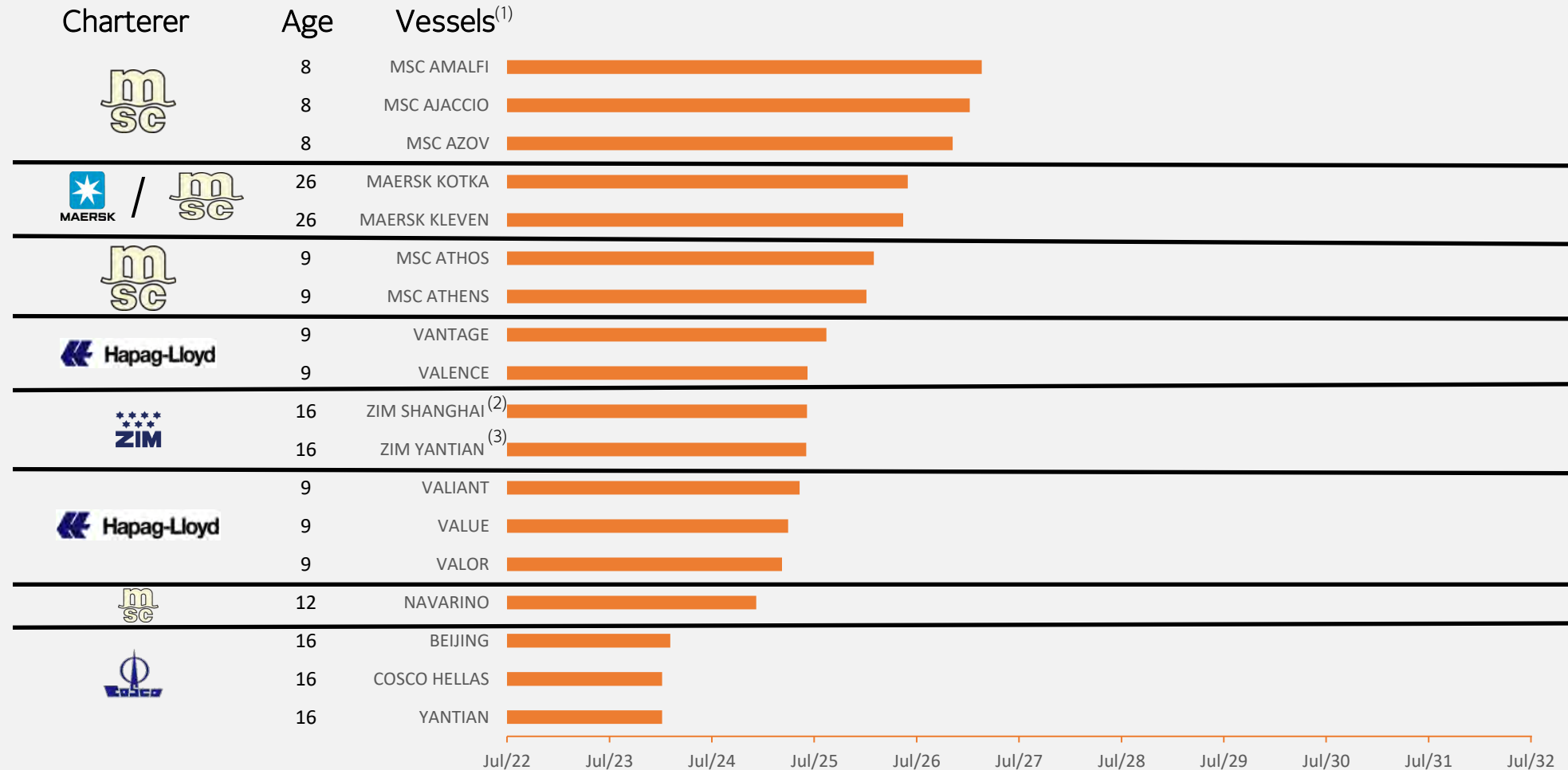
COSTAMARE INC.

# Appendix III – Containership Operating Fleet Charter Status (2/5)



7,500 – 10,000 TEUs

18x Vessels



## Note

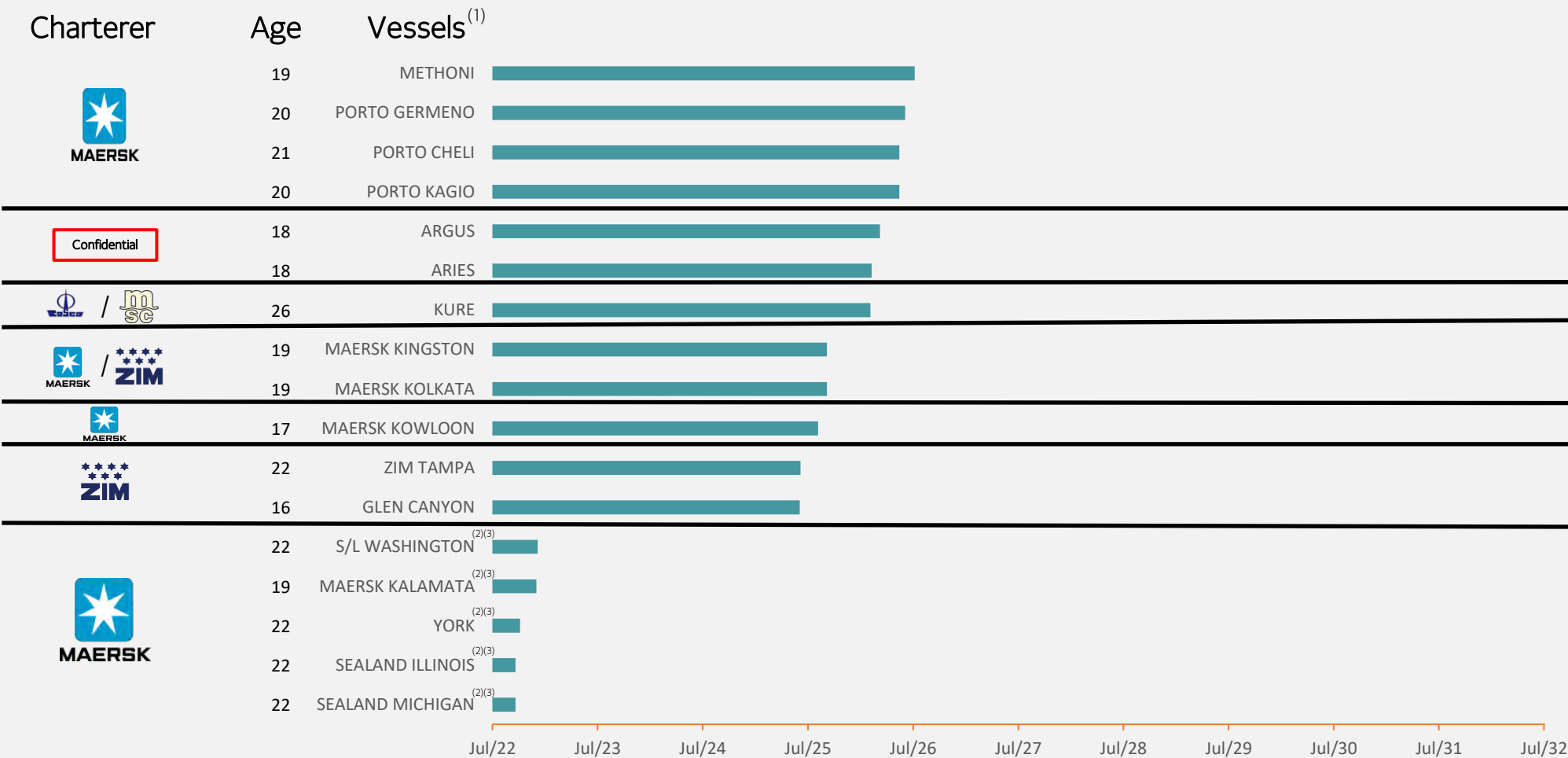
1. Based on last charter fixtures per vessel and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.
2. ZIM Shanghai (ex. Cosco Guangzhou)
3. ZIM Yantian (ex. Cosco Ningbo)

# Appendix III – Containership Operating Fleet Charter Status (3/5)



5,000 – 7,500 TEUs

17x Vessels



**Note**

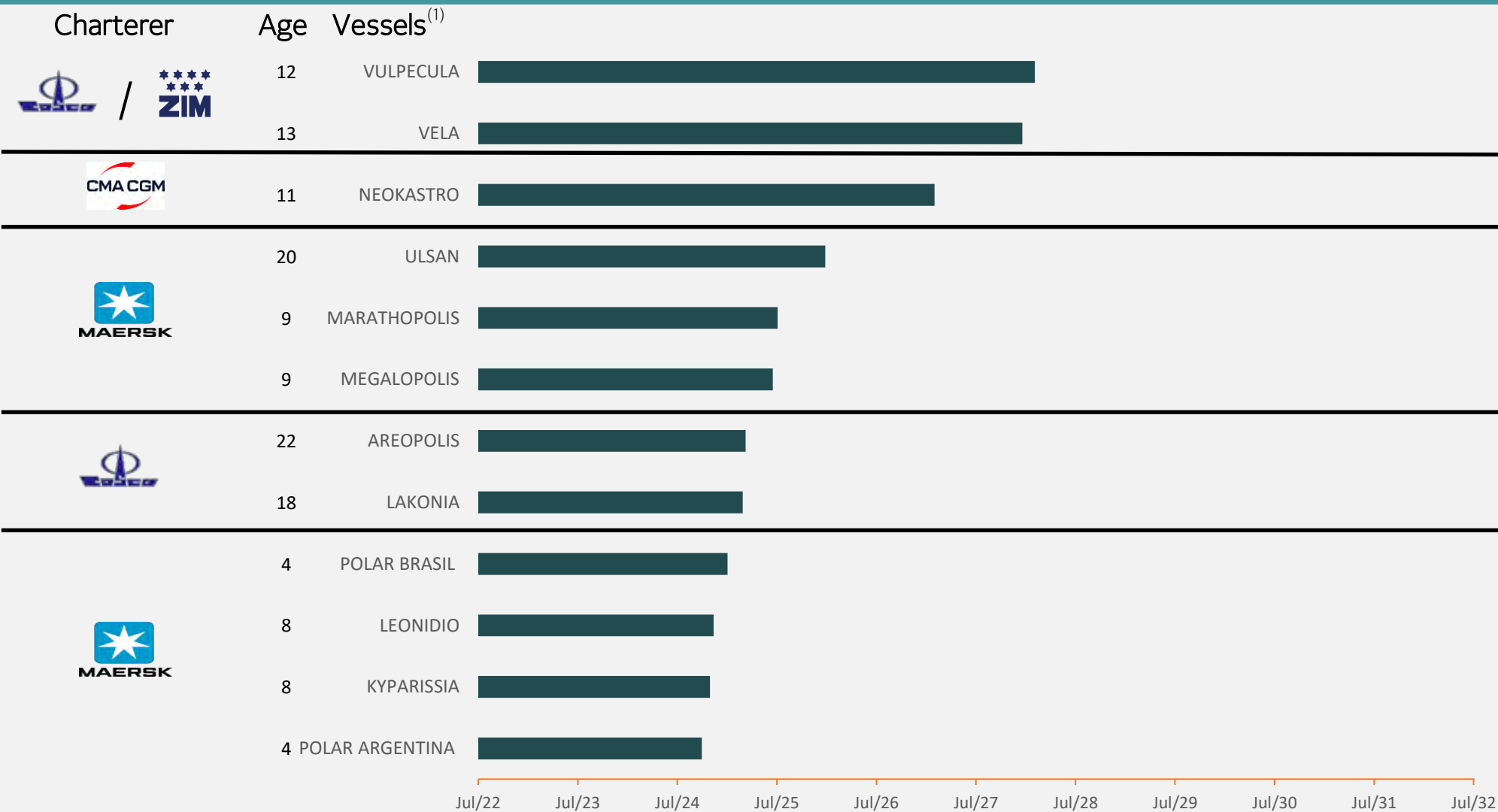
- 1. Based on last charter fixtures per vessel and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.
- 2. Charter tenor based on latest redelivery date.
- 3. Vessel agreed to be sold after expiration of current charter.

# Appendix III – Containership Operating Fleet Charter Status (4/5)



1,000 – 5,000 TEUs

26x Vessels



**Note**

1. Based on latest charters concluded and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.

# Appendix III – Containership Operating Fleet Charter Status (5/5)



1,000 – 5,000 TEUs

26x Vessels

Charterer	Age	Vessels <sup>(1)</sup>
Confidential	14	TRADER
ZIM	13	GIALOVA
	12	VOLANS
MSC	21	LUEBECK
MAERSK	13	VIRGO
	14	DYROS
MSC	14	MICHIGAN
MAERSK	13	NORFOLK
SWIRE SHIPPING	21	ARKADIA
MAERSK	12	ANDROUSA
	22	OAKLAND
Confidential	17	ETOILE
Hapag-Lloyd	15	SCORPIUS
MAERSK	24	MONEMVASIA <sup>(2)</sup>

Note

1. Based on latest charters concluded and earliest re-delivery dates after giving effect to the exercise of any owners' extension options.

2. Charter tenor based on latest redelivery date.